



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645

512-804-4000 telephone • 512-804-4811 fax • www.tdi.texas.gov

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name and Address

ELITE HEALTHCARE FORT WORTH
PO BOX 1353
FRISCO TEXAS 75034

Respondent Name

AMERICAN CASUALTY CO OF READING

Carrier's Austin Representative

Box Number 47

MFDR Tracking Number

M4-13-2965-01

MFDR Date Received

July 8, 2013

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Have sent these claims in for reconsideration for payment without success. Patient has authorization for services. Carrier shall not withdraw a preauthorization or concurrent review approval once issued. Claims before and after these dates of services have been paid in full. These are incorrect denials, same diagnosis codes as the other claims... Therefore, these claims should be paid in full."

Amount in Dispute: \$1,916.16

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "For date of service August 9, 2012, the medical bill was not submitted in compliance with 28 TAC 133.20(b)... For date of service January 8, 2013, the provider billed \$111.59 and that is the amount paid by the carrier."

Response Submitted by: Knott & Doyle

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
August 1, 2012	97116	\$173.16	\$0.00
August 9, 2012	97116	\$173.16	\$0.00
November 16, 2012	97140 x 2 units, 97112 x 2 units	\$192.69	\$173.98
November 19, 2012	97140 x 2 units, 97112 x 2 units	\$192.69	\$173.98
November 21, 2012	97140 x 2 units, 97112 x 2 units	\$192.69	\$173.98
November 26, 2012	97140 x 2 units, 97112 x 2 units	\$192.69	\$173.98
November 27, 2012	97140 x 2 units, 97112 x 2 units	\$192.69	\$173.98
December 4, 2012	97140 x 2 units, 97112 x 2 units	\$192.69	\$173.98
January 8, 2013	99213	\$4.42	\$0.00
January 28, 2013	97110 x 4 units	\$204.64	\$184.52
February 4, 2013	97110 x 4 units	\$204.64	\$184.52

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving a medical fee dispute.
2. 28 Texas Administrative Code §134.203 sets out the fee guidelines for professional medical services.
3. 28 Texas Administrative Code §134.600 sets out the guidelines for Preauthorization, Concurrent Review, and Voluntary Certification of Health Care.
4. The services in dispute were reduced/denied by the respondent with the following reason codes:

Explanation of benefits

- 148 – This procedure on this date was previously reviewed
- 402 – The appropriate modifier was not utilized
- ANSI18 – Duplicate claim/service
- ANSI4 – The procedure code is inconsistent with the modifier used or a required modifier is missing
- 119 – Benefit maximum for this time period or occurrence has been reached
- 168 – Billed charge is greater than maximum hit value or daily maximum allowance for physical therapy/physical medicine service
- B13 – Previously paid. Payment for this claim/service may have been provided in a previous payment
- 247 – A payment or denial has already been recommended for this service

Issues

1. Did the insurance carrier issue payment for CPT code 99213 rendered on January 8, 2013?
2. Did the requestor obtain preauthorization for the dispute physical therapy services?
3. Did the requestor bill for services in conflict with the NCCI edits?
4. Is the requestor entitled to reimbursement?

Findings

1. Per 28 Texas Administrative Code §134.203 “(h) When there is no negotiated or contracted amount that complies with Labor Code §413.011, reimbursement shall be the least of the: (1) MAR amount; (2) health care provider's usual and customary charge, unless directed by Division rule to bill a specific amount...”

The requestor seeks additional reimbursement in the amount of \$4.42 for CPT code 99213 rendered on January 8, 2013.

The requestor billed the insurance carrier the provider's usual and customary charge of \$111.59 for CPT code 99213, the insurance carrier reimbursed the requestor the usual and customary charge. As a result, the requestor is not entitled to additional reimbursement for CPT code 99213.

2. 28 Texas Administrative Code §134.600 states in relevant part, “(p) Non-emergency health care requiring preauthorization includes: (5) physical and occupational therapy services, which includes those services listed in the Healthcare Common Procedure Coding System (HCPCS) at the following levels: (A) Level I code range for Physical Medicine and Rehabilitation, but limited to: (i) Modalities, both supervised and constant attendance; (ii) Therapeutic procedures, excluding work hardening and work conditioning...”

Review of the preauthorization letters issued by Sedgwick CMS finds the following: Preauthorization letter dated March 4, 2013 (reference number JVQP) certified 12 units of CPT codes 97113, 97140 and 97112 with a start date of October 23, 2012 and an end date of December 7, 2012.

Preauthorization letter dated January 8, 2013 (reference number KXPE) certified 9 units of CPT codes 97110 and 97113 with a start date of January 8, 2013 and an end date of February 8, 2013.

The requestor seeks reimbursement for CPT code 97116 rendered on August 1, 2012 and August 9, 2012. CPT code 97116 is defined as “Therapeutic procedure, 1 or more areas, each 15 minutes; gait training (includes stair climbing)”. The requestor did not submit documentation to support that preauthorization was obtained for the disputed charge, as required by 28 Texas Administrative Code §134.600. As a result, reimbursement for CPT code 97116 rendered on August 1, 2012 and August 9, 2012 cannot be recommended.

The requestor seeks reimbursement for CPT codes 97140 and 97112 rendered on November 16, 2012, November 19, 2012, November 21, 2012, November 26, 2012, November 27, 2012 and December 4, 2012 preauthorized by Sedgwick CMS, preauthorization reference number YVQP. As a result, the disputed charges are subject to review in accordance with the provisions of 28 Texas Administrative Code §134.203.

The requestor seeks reimbursement for CPT code 97110 rendered on January 28, 2013 and February 4, 2013, preauthorized by Sedgwick CMS, preauthorization reference number KXPE. As a result, the disputed charges are subject to review in accordance with the provisions of 28 Texas Administrative Code §134.203.

3. Per 28 Texas Administrative Code §134.203 “(b) For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules.”

CCI edits were run to determine if edit conflicts exists to ensure correct reimbursement. No edit conflicts were identified for each disputed date of service. Therefore the disputed CPT codes 97110, 97112 and 97140 will be reviewed per 28 Texas Administrative Code §134.203 (c), to determine reimbursement.

4. Per 28 Texas Administrative Code §134.203 “(c) To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications. (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32. (2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year.”

Date of service, November 16, 2012, Procedure code 97140, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.43. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 0.979 is 0.3916. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.82986 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$45.53. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$41.23 at 2 units is \$82.46.

Date of service, November 16, 2012, Procedure code 97112, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 0.979 is 0.46992. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.92818 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$50.92. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$45.76 at 2 units is \$91.52.

Date of service, November 19, 2012, Procedure code 97140, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.43. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 0.979 is 0.3916. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.82986 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$45.53. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$41.23 at 2 units is \$82.46.

Date of service, November 19, 2012, Procedure code 97112, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 0.979 is 0.46992. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.92818 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$50.92. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$45.76 at 2 units is \$91.52.

Date of service, November 21, 2012, Procedure code 97140, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.43. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 0.979 is 0.3916. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.82986 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$45.53. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$41.23 at 2 units is \$82.46.

Date of service, November 21, 2012, Procedure code 97112, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 0.979 is 0.46992. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.92818 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$50.92. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$45.76 at 2 units is \$91.52.

Date of service, November 26, 2012, Procedure code 97140, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.43. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 0.979 is 0.3916. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.82986 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$45.53. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$41.23 at 2 units is \$82.46.

Date of service, November 26, 2012, Procedure code 97112, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 0.979 is 0.46992. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.92818 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$50.92. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$45.76 at 2 units is \$91.52.

Date of service, November 27, 2012, Procedure code 97140, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.43. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 0.979 is 0.3916. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.82986 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$45.53. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$41.23 at 2 units is \$82.46.

Date of service, November 27, 2012, Procedure code 97112, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 0.979 is 0.46992. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.92818 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$50.92. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$45.76 at 2 units is \$91.52.

Date of service, December 4, 2012, Procedure code 97140, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.43. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 0.979 is 0.3916. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.82986 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$45.53. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$41.23 at 2 units is \$82.46.

Date of service, December 4, 2012, Procedure code 97112, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 0.979 is 0.46992. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.92818 is multiplied by the Division conversion factor of \$54.86 for a MAR of \$50.92. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$45.76 at 2 units is \$91.52.

Date of service, January 28, 2013, Procedure code 97110, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 0.979 is 0.46992. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.92818 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$51.33. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$46.13 at 4 units is \$184.52.

Date of service, February 4, 2013, Procedure code 97110, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 0.979 is 0.46992. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.826 is 0.00826. The sum of 0.92818 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$51.33. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 20% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$46.13 at 4 units is \$184.52.

Review of the submitted documentation finds that the requestor is entitled to reimbursement in the amount of \$1,412.92.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$1,412.92.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$1,412.92 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

September 26, 2013
Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, 37 *Texas Register* 3833, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).